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JUSTICE DEPARTMENT ANNOUNCES GUILTY PLEA IN PEER-TO-PEER PIRACY CRACKDOWN

WASHINGTON – An Erie, Pa. man pleaded guilty to copyright infringement in U.S. District Court in Erie, Assistant Attorney General Alice S. Fisher of the Criminal Division and U.S. Attorney Mary Beth Buchanan of the Western District of Pennsylvania announced today.

Scott R. McCausland, 24, pleaded guilty to one count of conspiracy to commit copyright infringement and one count of criminal copyright infringement in violation of the Family Entertainment Copyright Act. His guilty plea stems from his involvement in the BitTorrent peer-to-peer (P2P) network previously known as Elite Torrents. The plea was entered before U.S. District Court Judge Sean J. McLaughlin for the Western District of Pennsylvania. McCausland, who is scheduled to be sentenced on Dec.12, 2006, faces up to five years in prison, a fine of \$250,000, and three years of supervised release.

"This groundbreaking case demonstrates the commitment of the Department of Justice to prosecute individuals who use new technologies to undermine the copyright laws," said U.S. Attorney Buchanan. "It also serves as an example to those who believe that there is anonymity in cyberspace."

This is the first criminal enforcement action against copyright infringement on a P2P network using BitTorrent technology. McCausland's conviction is the third in a series of convictions arising from Operation D-Elite, a federal crackdown against the first providers (or suppliers) of pirated works to the technologically-sophisticated P2P network known as Elite Torrents. At its prime, the Elite Torrents network attracted more than 133,000 members and facilitated the illegal distribution of more than 2 million copies of movies, software, music, and games. On May 25, 2005, federal agents shut down the Elite Torrents network by seizing its main server and replacing its log-in web page with the following notice: "This Site Has Been Permanently Shut Down by the FBI and U.S. Immigration and Customs Enforcement (ICE)." Within the first week alone, this message was viewed over half a million times.

The Elite Torrents P2P network offered a virtually unlimited content selection, including illegal copies of copyrighted works before their availability in retail stores or movie theatres. For example, the defendant supplied the network with the final entry in the Star Wars series, "Episode III: Revenge of the Sith," more than six hours before it was first shown in theatres. In the next 24 hours, it was downloaded from the Elite Torrents network more than 10,000 times.

Operation D-Elite is a joint investigation by ICE and the FBI as part of the Computer and Technology Crime High-Tech Response Team (CATCH), a San Diego task force of specially trained prosecutors and law enforcement officers focused on high-tech crime. Federal and state member agencies of CATCH include ICE, the FBI, the Department of Justice, the San Diego District Attorney's Office, San Diego Police Department, the San Diego Sheriff's Department, and San Diego County Probation.

Andrea Sharrin, Senior Counsel for the Criminal Division's Computer Crime and Intellectual Property Section and Christian A. Trabold, Assistant U.S. Attorney for the Western District of Pennsylvania, prosecuted this case on behalf of the government. The Motion Picture Association of America also provided substantial assistance to this investigation.

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